



STATE OF WASHINGTON
PUBLIC DISCLOSURE COMMISSION

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August 24, 2009

WILLIAM MCCALLUM
3008 TULIP ROAD
BELLINGHAM WA 98225

Subject: Complaint Filed Against the 2008 Stephanie Kountouros Campaign –
PDC Case No. 09-100

Dear Mr. McCallum:

The Public Disclosure Commission (PDC) staff has completed its investigation of your complaint received March 11, 2009, alleging that the 2008 campaign of Stephanie Kountouros for State Senator in the 40th Legislative District failed to file all of the required contribution and expenditure reports. PDC staff reviewed the allegation in light of the following statutes:

RCW 42.17.080 and 090 require candidates to file timely, accurate reports of contributions and expenditures, including in-kind contributions. Under the full reporting option, until five months before the general election, C-4 reports are required monthly when contributions or expenditures exceed \$200 since the last report. C-4 reports are also required 21 and 7 days before each election, and in the month following the election, regardless of the level of activity. Contribution deposits made during this same time period must be disclosed on the Monday following the date of deposit.

We reviewed your complaint, Ms. Kountouros' response to the complaint, and C-3 and C-4 reports filed by the campaign, including the final C-4 report filed April 27, 2009. We also spoke with Ms. Kountouros and her campaign treasurer, Jodith Allen. As a result of our review, we found:

- On April 22, 2008, Ms. Kountouros filed a Candidate Registration (PDC Form C-1) as a 2008 candidate for State Senator in the 40th Legislative District. She selected the Full Reporting option, indicating that her campaign would file the frequent, detailed campaign reports required by law.
- The Kountouros Campaign timely filed reports of contributions and expenditures (PDC forms C-3 and C-4) through June 9, 2008.



- On June 13, 2008, Ms. Kountouros contacted the Secretary of State's Office and attempted to withdraw as a candidate. She was unable to do so because the final date for withdrawal was June 12, 2008. Therefore, Ms. Kountouros appeared on the primary ballot on August 19, 2008. She did not advance to the general election.
- Ms. Kountouros stated that she was mistakenly informed by her campaign staff that she had one full week from the end of filing week to withdraw. Ms. Kountouros said she was unable to withdraw on June 12 because she was participating in her Masters Degree graduation at the University of Washington on June 12th.
- Ms. Kountouros stated that, based on conversations with her treasurer during the campaign, she believed all required PDC reports had been timely filed.
- On April 17, 2009, after receiving a copy of the complaint, Ms. Kountouros filed the campaign's final C-4 report. The report covered the period June 1 through July 28, 2008. It included a deposit for \$175 that had been timely reported on a C-3 report on June 6, 2008. The Schedule A to the final C-4 report included expenditures totaling \$2,816.83. Of this amount, eight payments totaling \$833.24, including the candidate's \$412.80 filing fee, were for expenditures made prior to the candidate's withdrawal. The remaining expenditures totaled \$1,983.59, and were refunds of contributions previously received, except for \$35.00 in bank fees. All refunds were made by June 30, 2008.

Ms. Kountouros attempted to withdraw as a candidate on June 13, 2008. When she found out she was unable to withdraw, she stopped accepting contributions and returned all remaining funds to contributors. She believed her treasurer had filed all required reports, and upon receipt of the complaint, filed the campaign's missing final C-4 report. Ms. Kountouros' final report was filed over eight months late. However, the late-filed expenditures were primarily refunds of contributions after she had attempted to withdraw as a candidate. Given these facts and circumstances, formal enforcement action is not warranted in this instance. Ms. Kountouros will be reminded to ensure that all reports, including final C-4 reports, are filed timely should she become a candidate in the future.

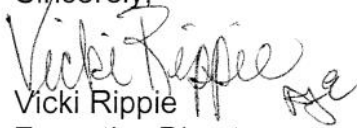
After a careful review of the alleged violations and relevant facts, we have concluded our investigation and, with the concurrence of the Chair of the Public Disclosure Commission, I am dismissing your complaint against the Stephanie Kountouros Campaign. Ms. Kountouros is being notified of this dismissal by separate letter.

Thank you for bringing this matter to our attention. The process relies on citizens monitoring campaign activity to promote full compliance with the law. Your actions will contribute to better public disclosure of important campaign information.

William McCallum
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If you have questions, please contact Phil Stutzman, Director of Compliance, at (360) 664-8853, toll-free at 1-877-601-2828 or by e-mail at pstutzman@pdc.wa.gov.

Sincerely,


Vicki Rippie
Executive Director